

**REPORT TO:** Business Efficiency Board  
**DATE:** 10 March 2010  
**REPORTING OFFICER:** Strategic Director – Corporate & Policy  
**SUBJECT:** Annual Grant Claims – Audit 2008/9  
**WARD(S):** Borough-wide

## **1.0 PURPOSE OF REPORT**

1.1 The Council receives a significant amount of income from government grants and subsidies, some of which are subject to certification by the Audit Commission. This report sets out the findings from the Audit Commission's assessment of the control environment established by the Council to ensure that grant claims are properly supported by the required documentation.

**2.0 RECOMMENDATION: That the Business Efficiency Board is asked to note the report and endorse the actions agreed in the Action Plan at Appendix 2 of the attached report.**

## **3.0 SUPPORTING INFORMATION**

3.1 The Annual Grant Claims report (2008/9) is attached to this covering report.

## **4.0 POLICY, FINANCIAL AND OTHER IMPLICATIONS**

4.1 Audit testing of grant claims is carried out on a risk based approach. Any grant claims less than £100K are not certified by the Audit Commission. Claims between £100K and £500K are subject to a reduced level of testing. For claims above £500K, the control environment is assessed to establish the level of reliance that can be placed upon it and to determine an appropriate level of testing to be applied.

4.2 The Council's largest grant claim is the Housing Benefit and Council Tax Benefit Grant Claim. In 2008/9, this claim was in excess of £51.3M.

## **5.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

5.1 There are no direct implications for the Council's priorities.

## **6.0 RISK ANALYSIS**

6.1 Ineffective controls over the preparation of grant claims may result in payments due from government departments being suspended and also lead to increased audit fees.

**7.0 EQUALITY AND DIVERSITY ISSUES**

7.1 None identified.

**8.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None.